

OFFICE OF THE GOVERNOR
STATE OF MONTANA

BRIAN SCHWEITZER
GOVERNOR



JOHN BOHLINGER
LT. GOVERNOR

March 11, 2009

Kathleen Sebelius, Secretary
U.S. Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

During this time of economic recession, states have made very tough choices to balance their human services budgets. There is one area where costs could be controlled without adversely impacting people who need health care. I am asking you to join me in my fight against unfair drug pricing by granting a Medicaid waiver allowing us to import prescription drugs from Canada for Montanans covered by Medicaid, Healthy Montana Kids (Montana's CHIP program), our state employee health plan and our correctional systems.

By allowing Montana to import medications from Canada we estimate we could save up to \$40 million.

Pharmaceutical costs have driven up the cost of health care for the past decade. In 1999, I began taking busloads of senior citizens over the borders to Alberta and British Columbia to obtain high quality prescription drugs at a much reduced price. My efforts were met by strong resistance from the pharmaceutical companies. This resistance to fair drug pricing continues and is a major contributor to the cost of health care.

Here are some examples of the cost difference with highly used medications:


		US	Canada
Drugs	Dose	90 Day Supply	90 Day Supply
Lipitor	10mg	\$269	\$188
Singular	10mg	\$420	\$269
Actose	15 mg	\$452	\$261
Prevacid	15mg	\$579	\$186
Effexor	150mg	\$537	\$99.99

As you are aware, The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 contains a provision permitting importation of prescription drugs from Canada contingent on the HHS Secretary's certification of the provision's safety and its prospect of significant cost savings.

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Thank you for your consideration of this request. Waiving the Medicaid requirements that funds can only be spent within the US borders and that a signed rebate agreement must be present to receive federal matching funds will allow us to better control prices for both Montana and US taxpayers. It would serve as a model for the entire country. I look forward to further dialogue on this issue.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Schweitzer", with a stylized, elongated flourish at the end.

BRIAN SCHWEITZER
Governor